

ORIGINAL

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISIONCLERK OF DISTRICT COURT  
NORTHERN DIST. OF TX  
FORT WORTH DIVISION  
FILED2019 OCT 28 PM 3:41  
DEPUTY CLERK BY

UNITED STATES OF AMERICA

v.

Criminal No.

DEBRA MORGAN (01)

**4 - 19CR - 320 - Y****INFORMATION**

The United States Attorney Charges:

**Introduction**

1. Since 1997, BV and BH have owned Spirit of Texas Cheer and Gymnastics, (STCG), which operates two facilities: one in Arlington, Texas, and the other in Coppell.
2. STCG hired Defendant **Debra Morgan** as a manager and bookkeeper in 2005. Since December 2006, **Morgan's** job responsibilities included managing the STCG facilities, maintaining the books and records for STCG, issuing invoices, paying company bills, and submitting payroll hours. Each month, **Morgan** also was responsible for delivering the business' bank statements, canceled checks, and other accounting records to STCG's certified public accountant
3. On or about April 29, 2011, **Morgan** was granted signature authority on the STCG Frost Bank account ending in 9238, to issue and sign checks for legitimate corporate expenses.

**Scheme and Artifice to Defraud**

4. Beginning on or before January 1, 2014, and continuing until on or about October 6, 2018, **Morgan** devised and executed a scheme and artifice to defraud STCG and to obtain money and property by means of materially false representations. During the course of the scheme, **Morgan** used STCG funds to pay personal credit card bills, vacation expenses, wedding expenses, and to buy jewelry and to make student loan payments.

5. As part of the scheme to defraud, **Morgan** fraudulently wrote checks for personal purchases unrelated to STCG business, made payroll overpayments to herself and another employee, and pocketed fees collected from customers who paid in cash. On or about May 31, 2018, without the consent of either STCG owner, **Morgan** applied for and received a debit card for STCG's Frost Bank account ending in 9238. The application bears a forged signature of BH. **Morgan** then used the debit card for personal expenses.

6. To further the scheme to defraud and to avoid detection, **Morgan** disguised her personal expenses as legitimate business expenses. She routinely altered the payees on check carbon copies to depict legitimate business expenses, falsely represented payroll amounts, labeled debit charges with false descriptions on the bank statements, and added deceptive notes to the bank statements submitted to the CPA.

7. From on or about January 1, 2014, and continuing until on or about October 6, 2018, **Morgan's** made payroll overpayments to herself and the other employee totaling approximately \$493,656. **Morgan** sent BV emails containing materially false statements regarding salaries paid to **Morgan** and the other employee. By providing significantly

understated payroll records to BV, **Morgan** disguised the true, and significantly higher, payroll amounts she and the other employee received.

8. In particular, in an email sent to BV on May 22, 2018, **Morgan** falsely reported STCG employee payroll records for September 2017, through March 15, 2018. In the email, she falsely listed her pay as \$15,300.00 and the other employee's pay as \$9,869.60, for a total of \$25,169.60. In fact, during this six-month period, **Morgan** paid herself and the other employee nearly three times that amount at approximately \$36,000 each, or \$72,000.

9. During and in connection with the scheme, **Morgan** embezzled approximately \$1,115,476 from STCG.

Count One  
Wire Fraud  
(Violation 18 U.S.C. § 1343)

10. The United States Attorney realleges the allegations set forth in the Introduction and the Scheme and Artifice to Defraud paragraphs of this Information.

11. On or about on May 22, 2018, in the Fort Worth Division of the Northern District of Texas, and elsewhere, Defendant **Debra Morgan**, for the purpose of executing and attempting to execute the scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, knowingly caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals, and pictures, in that, using the internet, **Morgan** sent or caused to be sent an email to BV in Arlington, Texas, via STCG's AOL mail account, routed through Virginia, in which **Morgan** provided fraudulent payroll information for September 2017, through March 15, 2018, which she knew to be materially false.

In violation of 18 U.S.C. § 1343.

ERIN NEALY COX  
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